REVISED DRAFT REPLY.

To

F. Williamson, Esq., I.C.S.,

Secretary to the Hon'ble the

Resident in Mysore.

Sir,

I am directed to acknowledge the receipt of your letter No. C. 2303/539, dated the 3rd January 1923, on the subject of charges debitable to the Bangalore Assigned Tract Revenues.

2. It is stated in the communication that the Inchcape Committee have suggested that, in view of the expansion of the surplus and the increase of work in the Residency Office in connection with the administration of the Tract, a larger proportion of the available funds should be utilised for meeting Imperial expenditure on the Residency Office and establishments. In pursuance of this proposal, it is also suggested that 7/8th instead of 1/3rd of the pay of the Residency Surgeon, and his establishment would be a fair proportion to be borne by the pro forma account of the Tract.

3. In the first place, the Government of Mysore would observe that the share of Residency charges to be borne by the Tract has not had, and should not have, any relation to the size of the annual Surpluses. The existing arrangement is based upon the decision arrived at in 1912, when the proportion of charges to be paid by the several parties was fixed with reference to the share of attention devoted by the Residency and the connected establishments to the work relating to the Tract, Coorg and the Residency proper.

4. The Mysore Government represented in para 9 of the Memorandum forwarded with Sir M. Visvesvaraya's D.O. 2457 dated 21st June 1911 to Col. Sir Hugh Daly that no share of the Residency charges should, for the reasons urged, be debited to the pro forma account of the Station at all. The Government of India, however, considered that 1/3rd of these charges should be borne by the account vide para 3 of Mr. Barburton's letter No. 4076 dated 17th July 1912.

5. The conditions which determined the assessment of the shares to be borne by the different accounts have not altered since, and the Government of Mysore are not, therefore, able to understand why a larger share than obtains at present should be debite to the pro forma account of the Tract. It would be a new principle altogether to require the Tract to bear a larger fraction simply because of the fact that the Surpluses have been larger for some time past.

6. The adoption of this principle would mean that the Imperial Government would be relieved of their proper share of the charges as already defined, and such an arrangement would be inconsistent with the assurance so clearly conveyed in para 4 of the same letter of Mr. Barburton that the Government of India had no intention of benefiting the Imperial Exchequer at the cost of the revenues of the Kanara-lore Assigned Tract.

7. The second reason urged in support of the proposal is that there is increase of work in the Residency Office in connection with the administration of the Tract. It is not clear how it has been concluded that the increase of work in the Residency is in connection with the administration of the Tract alone. What is more probable is that there